

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2021 OF THE CONDITION AND AFFAIRS OF THE

Priority Health Choice, Inc.

NAIC Gro		C Company Code 11520 E	mployer's ID Number	32-0016523
Organized under the Laws of	(Current) (Prior) Michigan	, State of Domicile o	r Port of Entry	MI
Country of Domicile		United States of America		
Licensed as business type:	Н	ealth Maintenance Organization		
Is HMO Federally Qualified? Yes	s[] No[X]			
Incorporated/Organized	06/03/2002	Commenced Bi	usiness	10/01/2002
Statutory Home Office	1231 East Beltline NE	,	Grand Rapids,	MI, US 49525-4501
·	(Street and Number)			e, Country and Zip Code)
Main Administrative Office		1231 East Beltline NE		
Grand	Rapids, MI, US 49525-4501	(Street and Number)	616	464-8931
	wn, State, Country and Zip Code)	,		Telephone Number)
Mail Address	1231 East Beltline NE		Grand Rapids,	MI, US 49525-4501
	(Street and Number or P.O. Box)			e, Country and Zip Code)
Primary Location of Books and Re	ecords	1231 East Beltline NE		
Grand	Rapids, MI, US 49525-4501	(Street and Number)	616	464-8131
	wn, State, Country and Zip Code)	,		Felephone Number)
Internet Website Address		www.priorityhealth.com		
Statutory Statement Contact	James Becker			616-575-4911
	(Name)	·	(Area Coo	de) (Telephone Number)
james.	becker2@spectrumhealth.org (E-mail Address)	,		942-7916 (Number)
President Treasurer		OFFICERS S	ecretary	Kimberly Lynn Thomas
		OTHER		
	DI	RECTORS OR TRUSTEES		
Praveen Gope Kimberly Lynn		Michael Adam Jasperson Chelsee Lee Stark		James Dwight Forshee Nicholas Patrick Gates #
Joyce Chan F				
State of	Michigan SS			
all of the herein described assets statement, together with related e condition and affairs of the said re in accordance with the NAIC Anr rules or regulations require differespectively. Furthermore, the so	s were the absolute property of the said invibits, schedules and explanations there eporting entity as of the reporting period s rual Statement Instructions and Accounting erences in reporting not related to according to the same cope of this attestation by the described of the same cope of this attestation by the described of the same cope	reporting entity, free and clear froi in contained, annexed or referred t tated above, and of its income and ap Practices and Procedures manu nunting practices and procedures, officers also includes the related of	m any liens or claims the o, is a full and true state deductions therefrom for call except to the extent according to the best prresponding electronic	and that on the reporting period stated above, nereon, except as herein stated, and that this ment of all the assets and liabilities and of the or the period ended, and have been completed that: (1) state law may differ; or, (2) that state to of their information, knowledge and belief, filling with the NAIC, when required, that is an ad by various regulators in lieu of or in addition
Praveen Gope Tha President	dani	Nicholas Patrick Gates Treasurer		Kimberly Lynn Thomas Secretary
Subscribed and sworn to before n	ne this	b. If no,	original filing? ne amendment number	

3. Number of pages attached.....

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 Total individuals.						
Group Subscribers:						
0299998. Premiums due and unpaid not individually listed						
0299999. Total group	0	0	0	0	0	0
0399999. Premiums due and unpaid from Medicare entities						
0499999. Premiums due and unpaid from Medicaid entities	1,709,213					1,709,213
0599999 Accident and health premiums due and unpaid (Page 2, Line 15)	1,709,213	0	0	0	0	1,709,213

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199998. Aggregate Pharmaceutical Rebate Receivables Not Individually Listed	1 - 30 Days	31 - 00 Days	01 - 90 Days	Over 90 Days	Nonaumilleu	Aumiteu
	0	0	0	0	0	0
0199999. Total Pharmaceutical Rebate Receivables	140 507	040.004	104 710	U	U	T04 F04
Aggregate of amounts not individually listed	143,527	243,324	194,713			581,564
0299998. Aggregate Claim Overpayment Receivables Not Individually Listed	//0	242.224	101 710			
0299999. Total Claim Overpayment Receivables	143,527	243,324	194,713	0	0	581,564
0399998. Aggregate Loans and Advances to Providers Not Individually Listed						
0399999. Total Loans and Advances to Providers	0	0	0	0	0	0
0499998. Aggregate Capitation Arrangement Receivables Not Individually Listed						
0499999. Total Capitation Arrangement Receivables	0	0	0	0	0	0
0599998. Aggregate Risk Sharing Receivables Not Individually Listed						
0599999. Total Risk Sharing Receivables	0	0	0	0	0	0
State of Michigan	8,975,381	599,429	513,071	717,558		10,805,439
Pharmaceutical Claims Credits	572,589					572,589
0699998. Aggregate Other Health Care Receivables Not Individually Listed						
0699999. Total Other Health Care Receivables	9,547,970	599,429	513,071	717,558	0	11,378,028
0799999 Gross health care receivables	9,691,497	842,753	707,784	717,558	0	11,959,592

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

	Health Care Rece or Offset Du			ceivables Accrued 31 of Current Year	5	6
	1	2	3	4		Estimated Health Care
	On Amounts Accrued	On Amounts Accrued	On Amounts Accrued December 31 of	On Amounts Accrued	Receivables from Prior Years	Receivables Accrued as of December 31
Type of Health Care Receivable	Current Year	During the Year	Prior Year	During the Year	(Columns 1 + 3)	of Prior Year
Pharmaceutical rebate receivables					0	0
Claim overpayment receivables	687,780			581,564	687,780	687,780
Loans and advances to providers					0	0
4. Capitation arrangement receivables					0	0
Risk sharing receivables					0	0
Other health care receivables	7,578,408			11.378.029	7,578,408	7,578,408
7. Totals (Lines 1 through 6)	8,266,188	0	0	11,959,593	8,266,188	

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpa	iid Claims					
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0199999. Individually listed claims unpaid	0	0	0	0	0	-
0299999. Aggregate accounts not individually listed- uncovered						(
0399999. Aggregate accounts not individually listed-covered	18, 107, 181					18, 107, 18
049999. Subtotals	18,107,181	0	0	0	0	18, 107, 181
0599999. Unreported claims and other claim reserves	, ,					57,149,629
0699999. Total amounts withheld						
0799999. Total claims unpaid						75,256,810
·						
					 	
					ļ	<u></u>
0899999 Accrued medical incentive pool and bonus amounts						11,074,66

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admi	itted
·	-	· ·	•	Ŭ	v	7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Priority Health	12,243,682					12,243,682	
Priority Health Insurance Company	755					755	
0199999. Individually listed receivables	12,244,437	0	0	0	0	12,244,437	0
0299999. Receivables not individually listed							
0399999 Total gross amounts receivable	12 244 427	Λ	Λ	Λ	Λ	12 244 427	Λ
Joaaaaa Total Bross amounts receivable	12,244,437	U	U	U	U	12,244,437	U

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5
Affiliate	Description	Amount	Current	Non-Current
	Management Fee Payable		228,419	
0199999. Individually listed payables		228,419	228,419	0
0199999. Individually listed payables 0299999. Payables not individually listed		0		
0399999 Total gross payables		228,419	228,419	0

EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

	1	2	3	4	5	6 Column 1
	Direct Medical	Column 1	Total	Column 3	Column 1	Expenses Paid to
	Expense	as a %	Members	as a %	Expenses Paid to	Non-Affiliated
Payment Method	Payment	of Total Payments	Covered	of Total Members	Affiliated Providers	Providers
Capitation Payments:						
1. Medical groups	1,417,564	0.2	87,470	36.3	1,417,564	
2. Intermediaries	0	0.0		0.0		
3. All other providers	97,596,212	15.6	904 , 173	375.0	97,596,212	
4. Total capitation payments.	99,013,776	15.9	991,643	411.2	99,013,776	0
Other Payments:						
5. Fee-for-service	9, 174, 290	1.5	XXX	XXX		9, 174, 290
6. Contractual fee payments	381,290,060	61.1	XXX	XXX	381,290,060	
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	134,723,201	21.6	XXX	XXX	134,723,201	
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	525, 187, 551	84.1	XXX	XXX	516,013,261	9,174,290
13. TOTAL (Line 4 plus Line 12)	624,201,327	100%	XXX	XXX	615,027,037	9,174,290

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1	2	3	4	5	6
			Average		Intermediary's
			Average Monthly Capitation	Intermedian/s	Intermediary's Authorized Control Level RBC
		0 " " 0 " 1	Widiting	T A	Authorized
NAIC Code	Name of Intermediary	Capitation Paid	Capitation	Intermediary's Total Adjusted Capital	Control Level RBC
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9999999 Totals			XXX	XXX	XXX

Exhibit 8 - Furniture and Equipment Owned

NONE



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

2. Grand Rapids, MI REPORT FOR: 1. CORPORATION Priority Health Choice, Inc.

								(LOCATION		
NAIC Group Code 3383 BUSINES	S IN THE STATE OF					DURING THE Y	EAR 2021	NAIC Com	pany Code	11520
	1	Comprehensive (Hos		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	157,666							9,262	148,404	
2. First Quarter	166,563							10,953	155,610	
3. Second Quarter	173,372							11,815	161,557	
4. Third Quarter	177,823							12,221	165,602	
5. Current Year	241,141							12,979	228,162	
6. Current Year Member Months	2,257,866							142,153	2,115,713	
Total Member Ambulatory Encounters for Year:										
7 Physician	1,804,062							113,582	1,690,480	
8. Non-Physician	425 , 102							26,764	398,338	
9. Total	2,229,164	0	0	0	(0 0	140,346	2,088,818	
10. Hospital Patient Days Incurred	110,180							27,445	82,735	
11. Number of Inpatient Admissions	17,306							3,138	14,168	
12. Health Premiums Written (b)	762,281,620							108,930,180	653,351,440	
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	768,220,007							108,958,143	659,261,864	
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	624,201,329							90,076,584	534 , 124 , 745	
18 Amount Incurred for Provision of Health Care Services	654,942,230							93,830,717	561,111,513	

⁽a) For health business: number of persons insured under PPO managed care products and number of persons insured under indemnity only products



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

2. Grand Rapids, MI REPORT FOR: 1. CORPORATION Priority Health Choice, Inc.

								(LOCATIO	N)	
NAIC Group Code 3383 BUSINESS	S IN THE STATE OF					DURING THE YE		NAIC Cor	npany Code	11520
	1	Comprehensive (Hos	pital & Medical)	4	5	6	7	8	9	10
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	157,666	0	0	0	0	0	0	9,262	148,404	(
2. First Quarter	166,563	0	0	0	0	0	0	10,953	155,610	
3. Second Quarter	173,372	0	0	0	0	0	0	11,815	161,557	(
4. Third Quarter	177,823	0	0	0	0	0	0	12,221	165,602	
5. Current Year	241,141	0	0	0	0	0	0	12,979	228,162	(
6. Current Year Member Months	2,257,866	0	0	0	0	0	0	142,153	2,115,713	(
Total Member Ambulatory Encounters for Year:										
7 Physician	1,804,062	0	0	0	0	0	0	113,582	1,690,480	(
8. Non-Physician	425,102	0	0	0	0	0	0	26,764	398,338	
9. Total	2,229,164	0	0	0	0	0	0	140,346	2,088,818	(
10. Hospital Patient Days Incurred	110,180	0	0	0	0	0	0	27,445	82,735	(
11. Number of Inpatient Admissions	17,306	0	0	0	0	0	0	3,138	14,168	(
12. Health Premiums Written (b)	762,281,620	0	0	0	0	0	0	108,930,180	653,351,440	(
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	(
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	(
15. Health Premiums Earned	768,220,007	0	0	0	0	0	0	108,958,143	659,261,864	
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	(
17. Amount Paid for Provision of Health Care Services	624,201,329	0	0	0	0	0	0	90,076,584	534,124,745	
18 Amount Incurred for Provision of Health Care Services	654,942,230	0	0	0	0	0	0	93,830,717	561,111,513	

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10 Bosonia Liability	11	12	13
NAIC Company	ID	Effective	No. of Private	Domiciliary Jurisdiction	Type of Reinsurance	Type of Business	David and	Unearned	Unearned	Reinsurance Payable on Paid and	Coinsurance	Funds Withheld
Code	Number	Date	Name of Reinsured	Jurisdiction	Assumed	Assumed	Premiums	Premiums	Premiums	Unpaid Losses	Reserve	Under Coinsurance
	· · · · · · · · · · · · · · · · · · ·											
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SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year NAIC Company Effective Domiciliary Unpaid Losses Name of Company Paid Losses Code Number Date Jurisdiction 0399999. Total Life and Annuity - U.S. Affiliates 0 0699999. Total Life and Annuity - Non-U.S. Affiliates 0799999. Total Life and Annuity - Affiliates 0 1099999. Total Life and Annuity - Non-Affiliates 0 0 1199999. Total Life and Annuity 0 1499999. Total Accident and Health - U.S. Affiliates 1799999. Total Accident and Health - Non-U.S. Affiliates

189999. Total Accident and Health - Affiliates

189999. Total Accident and Health - Affiliates

199999. Accident and Health - U.S. Non-Affiliates 0 0 0 .47,698 47,698 MO. 0 2199999. Total Accident and Health - Non-Affiliates 2299999. Total Accident and Health 47,698 47,698 0 2399999. Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999) 2499999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 20999999) 47,698 0

9999999 Totals - Life, Annuity and Accident and Health

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

			Reinsura	ance Ceded Accid	ent and near	i insurance Lis	ted by Remsuming C	ompany as or Dece	ember 31, Current Ye	ai			
1	2	3	4	5	6	7	8	9	10	Outstanding S	Surplus Relief	13	14
				Domi-					Reserve Credit	11	12		
NAIC				ciliary	Type of	Type of		Unearned	Taken Other			Modified	Funds Withheld
Company	ID	Effective		Juris-	Reinsurance	Business		Premiums	than for Unearned			Coinsurance	Under
Code	Number	Date	Name of Company	diction	Ceded	Ceded	Premiums	(Estimated)	Premiums	Current Year	Prior Year	Reserve	Coinsurance
0399999.	Total Genera	l Account - Au	uthorized U.S. Affiliates				0	0	0	0	0	0	0
0699999.	Total Genera	l Account - Au	uthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
0799999.	Total Genera	I Account - Au	uthorized Affiliates				0	0	0	0	0	0	0
82627	06-0839705	09/01/2020	Swiss Reinsurance Life & Health America	MO	SSL/I		724.816						
82627	06-0839705	09/01/2021	Swiss Reinsurance Life & Health America	MO	SSL/I		438,948						
0899999.	General Acco	ount - Authoriz	zed U.S. Non-Affiliates				1,163,764	0	0	0	0	0	0
1099999.	Total Genera	l Account - Au	uthorized Non-Affiliates				1,163,764	0	0	0	0	0	0
1199999.	Total Genera	I Account Aut	thorized				1,163,764	0	0	0	0	0	C
1499999.	Total Genera	l Account - Ui	nauthorized U.S. Affiliates				0	0	0	0	0	0	0
1799999.	Total Genera	l Account - Ui	nauthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
1899999.	Total Genera	l Account - Ui	nauthorized Affiliates				0	0	0	0	0	0	0
			nauthorized Non-Affiliates				0	0	0	0	0	0	0
	Total Genera						0	0	0	0	0	0	0
2599999.	Total Genera	I Account - Ce	ertified U.S. Affiliates				0	0	0	0	0	0	0
			ertified Non-U.S. Affiliates				0	0	0	0	0	0	0
2999999.	Total Genera	I Account - Ce	ertified Affiliates				0	0	0	0	0	0	0
			ertified Non-Affiliates				0	0	0	0	0	1	0
3399999.	Total Genera	I Account Cer	rtified				0	0	0	0	0	0	0
3699999.	Total Genera	I Account - Re	eciprocal Jurisdiction U.S. Affiliates				0	0	0	0	0	0	0
3999999.	Total Genera	I Account - Re	eciprocal Jurisdiction Non-U.S. Affiliates				0	0	0	0	0	0	0
			eciprocal Jurisdiction Affiliates				0	0	0	0	0	0	0
			eciprocal Jurisdiction Non-Affiliates				0	0	0	0	0	0	0
4499999.	Total Genera	I Account Red	ciprocal Jurisdiction				0	0	0	0	0	0	0
			thorized, Unauthorized, Reciprocal Jurisdiction and Certif	fied			1,163,764	0	0	0	0	0	0
4899999.	Total Separat	te Accounts -	Authorized U.S. Affiliates				0	0	0	0	0	0	0
5199999.	Total Separat	te Accounts -	Authorized Non-U.S. Affiliates				0	0	0	0	0	0	0
5299999.	Total Separat	te Accounts -	Authorized Affiliates				0	0	0	0	0	0	0
5599999.	Total Separat	te Accounts -	Authorized Non-Affiliates				0	0	0	0	0	0	0
5699999.	Total Separat	te Accounts A	Authorized				0	0	0	0	0	0	0
			Unauthorized U.S. Affiliates				0	0	0	0	0	0	0
6299999.	Total Separat	te Accounts -	Unauthorized Non-U.S. Affiliates				0	0	0	0	0	0	0
6399999.	Total Separat	te Accounts -	Unauthorized Affiliates				0	0	0	0	0	0	0
6699999.	Total Separat	te Accounts -	Unauthorized Non-Affiliates				0	0	0	0	0	0	0
6799999.	Total Separat	te Accounts L	Jnauthorized				0	0	0	0	0	0	0
7099999.	Total Separat	te Accounts -	Certified U.S. Affiliates				0	0	0	0	0	0	0
			Certified Non-U.S. Affiliates				0	0	,	0	0		0
			Certified Affiliates				0	0	0	0	0	0	0
			Certified Non-Affiliates				0	0			0	0	0
	Total Separat						0	0	,	0	0		0
			Reciprocal Jurisdiction U.S. Affiliates				0	0	,	0	0	0	0
8499999.	Total Separat	te Accounts -	Reciprocal Jurisdiction Non-U.S. Affiliates	<u> </u>			0	0	0	0	0	0	0
			Reciprocal Jurisdiction Affiliates	<u> </u>			0	0	0	0	0		0
8899999.	Total Separat	te Accounts -	Reciprocal Jurisdiction Non-Affiliates	<u> </u>			0	0	0	0	0	0	0
			Reciprocal Jurisdiction				0	0	0	0	0	0	0
			Authorized, Unauthorized, Reciprocal Jurisdiction and Ce				0	0	0	0	0	0	0
9199999.	Total U.S. (Si	um of 039999	99, 0899999, 1499999, 1999999, 2599999, 3099999, 369	99999, 4199999, 489	9999, 5399999,	5999999,							
			999, 8199999 and 8699999)				1,163,764	0	0	0	0	0	0
			899999, 0999999, 1799999, 2099999, 2899999, 3199999	9, 3999999, 429 9 999	, 5199999, 5 499	999, 6299999,							
		99999, 76999	999, 8499999 and 8799999)				0	0	0	0	0	0	0
9999999 -	Totals						1,163,764	0	0	0	0	0	0

Schedule S - Part 4 **NONE**

Schedule S - Part 4 - Bank Footnote **NONE**

Schedule S - Part 5
NONE

Schedule S - Part 5 - Bank Footnote **NONE**

SCHEDULE S - PART 6

Five Year Exhibit of Reinsurance Ceded Business (\$000 Omitted)								
		1 2021	2 2020	3 2019	4 2018	5 2017		
	A. OPERATIONS ITEMS							
1.	Premiums	0	0	0	0	0		
2.	Title XVIII - Medicare	164	88	5	7	0		
3.	Title XIX - Medicaid	999	763	494	546	630		
4.	Commissions and reinsurance expense allowance							
5.	Total hospital and medical expenses	47	2	1 , 139	334	187		
	B. BALANCE SHEET ITEMS							
6.	Premiums receivable							
7.	Claims payable	0	0	0	0	0		
8.	Reinsurance recoverable on paid losses	48	0	3	330	0		
9.	Experience rating refunds due or unpaid							
10.	Commissions and reinsurance expense allowances due							
11.	Unauthorized reinsurance offset							
12.	Offset for reinsurance with Certified Reinsurers							
	C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)							
13.	Funds deposited by and withheld from (F)	0	0	0	0	0		
14.	Letters of credit (L)	0	0	0	0	0		
15.	Trust agreements (T)	0	0	0	0	0		
16.	Other (O)	0	0	0	0	0		
	D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)							
17.	Multiple Beneficiary Trust		0	0	0	0		
18.	Funds deposited by and withheld from (F)		0	0	0	0		
19.	Letters of credit (L)		0	0	0	0		
20.	Trust agreements (T)		0	0	0	0		
21.	Other (O)		0	0	0	0		

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	restatement of balance sheet to identify Net Gredit	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 12)	277,847,001	1,163,765	279,010,766
2.	Accident and health premiums due and unpaid (Line 15)	3,951,438		3,951,438
3.	Amounts recoverable from reinsurers (Line 16.1)	47,698		47,698
4.	Net credit for ceded reinsurance	xxx	(1,163,765)	(1,163,765)
5.	All other admitted assets (Balance)	83,991,277		83,991,277
6.	Total assets (Line 28)	365,837,414	0	365,837,414
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	75,256,810		75,256,810
8.	Accrued medical incentive pool and bonus payments (Line 2)	11,074,663		11,074,663
9.	Premiums received in advance (Line 8)	0		0
10.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19 first inset amount plus second inset amount)	0		0
11.	Reinsurance in unauthorized companies (Line 20 minus inset amount)	0		0
12.	Reinsurance with Certified Reinsurers (Line 20 inset amount)			0
13.	Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount)	0		0
14.	All other liabilities (Balance)	64,328,614		64,328,614
15.	Total liabilities (Line 24)	150,660,087	0	150,660,087
16.	Total capital and surplus (Line 33)	215,177,325	XXX	215,177,325
17.	Total liabilities, capital and surplus (Line 34)	365,837,412	0	365,837,412
	NET CREDIT FOR CEDED REINSURANCE			
18.	Claims unpaid	0		
19.	Accrued medical incentive pool	0		
20.	Premiums received in advance	0		
21.	Reinsurance recoverable on paid losses	0		
22.	Other ceded reinsurance recoverables	. (1,163,765)		
23.	Total ceded reinsurance recoverables	(1,163,765)		
24.	Premiums receivable	0		
25.	Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
26.	Unauthorized reinsurance	0		
27.	Reinsurance with Certified Reinsurers	0		
28.	Funds held under reinsurance treaties with Certified Reinsurers	0		
29.	Other ceded reinsurance payables/offsets	0		
30.	Total ceded reinsurance payables/offsets	0		
31.	Total net credit for ceded reinsurance	(1,163,765)		

Schedule T - Part 2 - Interstate Compact NONE

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	-	J	7	J	U	l '	9		10	11	Type	If	17	10	10
											of Control	Control			İ
											(Ownership,	ic		Is an	İ
						Name of Securities			Relation-		Board.	Owner-		SCA	İ
								D:			,	ship		Filing	İ
		NAIG				Exchange	No 6	Domi-	ship		Management,				İ
_		NAIC				if Publicly Traded	Names of	ciliary	_ to		Attorney-in-Fact,	Provide		Re-	İ
Group		Company	ID	Federal		(U.S. or	Parent, Subsidiaries	Loca-	Reporting	Directly Controlled by	Influence,	Percen-	Ultimate Controlling	quired?	İ .
Code	Group Name	Code	Number	RSSD	CIK	International)	Or Affiliates	tion	Entity	(Name of Entity/Person)	Other)	tage	Entity(ies)/Person(s)	(Yes/No)	*
.3383 F	Priority Health	95561	38-2715520	0	0		Priority Health	MI	UDP	Spectrum Health System	Ownership	94.400	Spectrum Health System	N0	1
				0	0					Munson HealthCare	Ownership	5.600		N0	<u>1</u>
	Priority Health		32-0016523	0	0		Priority Health Choice, Inc.	MI	IA	Priority Health	Ownership	100.000	Spectrum Health System	N0	0
	Priority Health	12208	20-1529553	0	0		Priority Health Insurance Company	MI	IA	Priority Health	Ownership	100.000	Spectrum Health System	N0	0
	Priority Health		38-2018957	0	0		Total Health Care Inc.	MI	IA	Priority Health	Ownership	100.000	Spectrum Health System	N0	0
	Priority Health	12326	38-3240485	0	0		Total Health Care USA Inc.	. MI	IA	Total Health Care Inc.	. Ownership	100.000	Spectrum Health System	NO	D
	Priority Health		84-2310771	0	0		Total Health Care Foundation	MI	NIA	Priority Health	Board of Directors	0.000	Spectrum Health System	N0	0
.3383 F	Priority Health		38-2715520	0	0		PHMB Properties, LLC	MI		Priority Health	Ownership		Spectrum Health System	NO	0
	Priority Health		38-2663747	0	0		Trinity Health Plans	MI	NIA	Priority Health	. Ownership	100.000	Spectrum Health System	NO	<u>0</u>
.3383 F	Priority Health		38-3085182	0	0		Priority Health Managed Benefits, Inc.	MI		Spectrum Health System	. Ownership.	100.000	Spectrum Health System	NO	Ú
				0	0		Spectrum Health Grand Rapids	. MI	NIA	Spectrum Health System	. Ownership	100.000	Spectrum Health System	NO	0
				0	0		Spectrum Health Big Rapids Hospital	MI	NIA	Spectrum Health System	. Ownership	100.000	Spectrum Health System	NO	<u>0</u>
				0	0		Spectrum Health Reed City Hospital	M	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	NO	يا
				0	0		Spectrum Health Gerber Hospital	MI	NIA	Spectrum Health System	. Uwnership	100.000	Spectrum Health System	NO	<u>v</u>
				0	0		Spectrum HeatIh Ludington Hospital	MI	NIA	Spectrum Health System		100.000	Spectrum Health System	N0 N0	u
				0	0		Spectrum Health Pennock	MI	NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	NO	<u>v</u>
				0	0		Spectrum Health United Hospital	MI	NIA	Spectrum Health System	. Uwnership	100.000	Spectrum Health System	NO NO	را
				0	l		Spectrum Health Kelsey Hospital	MI		Spectrum Health System	. Uwnership		Spectrum Health System	NO NO	V
				0	0		Spectrum Health Zeeland Community Hospital	Ml	NIA NIA	Spectrum Health System	Ownership	100.000	Spectrum Health System	NO NO	<u>v</u>
				0	0		Spectrum Health Continuing Care	MI	NIA	Spectrum Health System Spectrum Health System	. Ownership.	100.000	Spectrum Health System	NO	<u>v</u>
				0	0			MI	NIA		Ownership	100.000		NO NO	V
				U	U		Spectrum Health Lakeland	MI		Spectrum Health System	. Owner Strip	100.000	Spectrum Health System	INU	V

Asterisk	Explanation
1	Spectrum Health Systems (EIN 38-3382353), Class A Shareholder - 94.5%; Munson Healthcare (EIN 38-1362830), Class B Shareholder - 5.5%

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

		17111	- SUMMAN	(1 O1 114)		III	TIONS W					
1	2	3	4	5	6	7	8	9	10	11	12	13
						Income/						
						(Disbursements)						
					Purchases, Sales	Incurred in						Reinsurance
					or Exchanges of	Connection with		Income/		Any Other Material		Recoverable/
					Loans, Securities,	Guarantees or		(Disbursements)		Any Other Material Activity Not in the		(Payable) on
NAIC					Real Estate,	Undertakings for	Management	Incurred Under		Ordinary Course of		Losses and/or
Company	ID	Names of Insurers and Parent,	Shareholder	Capital	Mortgage Loans or	the Benefit of any	Agreements and	Reinsurance		the Insurer's		Reserve Credit
Code	Number	Subsidiaries or Affiliates	Dividends	Contributions	Other Investments	Affiliate(s)	Service Contracts	Agreements	*	Business	Totals	Taken/(Liability)
	20-1529553	Priority Health Insurance Company					(21,509,422)				(21,509,422)	
	38-3085182	Priority Health Managed Benefits					375,008,242				375,008,242	
	38-2715520	Priority Health	L				(280,545,337)				(280,545,337)	
	32-0016523	Priority Health Choice, Inc.					(47,725,563)				(47,725,563)	
	38-2018957	Total Health Care Inc.					(13,979,288)				(13,979,288)	
	38-3240485	Total Health Care USA Inc.					(11,248,632)				(11,248,632)	
12020	00 0240400	Total libartii bare box mo.			•		(11,240,002)				(11,240,002)	
·····					• • • • • • • • • • • • • • • • • • • •					• • • • • • • • • • • • • • • • • • • •		
			····									
·····												
· · · · · · · · · · · · · · · · · · ·					• • • • • • • • • • • • • • • • • • • •	•						
9999999 Cor	ntrol Totals		n	n	n	n	n	n) XXX	n	n	n
0000000000	THE TOTAL		U	U	U	U	U	l 0	/ _ ^^^	1 0	U	U

SCHEDULE Y

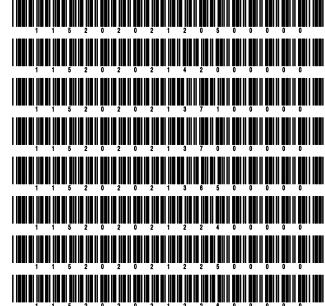
PART 3 - ULTIMATE CONTROLLING PARTY AND LISTING OF OTHER U.S. INSURANCE GROUPS OR ENTITIES UNDER THAT ULTIMATE CONTROLLING PARTY'S CONTROL

PART 3 - ULTIMATE CONT	ROLLING PARTY AND LISTING OF O	THER U.S. INS	UKANC	E GROUPS OR ENTITIES UNDER	THAT ULTIMATE CONTROLLING	PARTY'S CON	IROL
1	2	3	4	5	6	7	8
			Granted				Granted
			Disclaimer				Disclaimer
			of Control\				of Control\
			Affiliation of				Affiliation of
		Ownership	Column 2			Ownership	Column 5
		Percentage	Over			Percentage	Over
		Column 2 of	Column 1		U.S. Insurance Groups or Entities Controlled	(Column 5 of	Column 6
Insurers in Holding Company	Owners with Greater Than 10% Ownership	Column 1	(Yes/No)	Ultimate Controlling Party	by Column 5	Column 6)	(Yes/No)
Priority Health	Spectrum Health System	94.400		. Spectrum Health System	Priority Health	94.400	
Priority Health Choice, Inc.	Priority Health		NO	Spectrum Health System	Priority Health	94.400	NO
Priority Health Insurance Company	Priority Health		NO	Spectrum Health System	Priority Health	94.400	NO
Total Health Care Inc.	I=	100.000	NO	Spectrum Health System	Priority Health	94.400	NO
Total Health Care USA Inc.		100.000	NO	Spectrum Health System	Priority Health	94.400	NO

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	following the interrogatory questions.	_	Responses
	MARCH FILING		
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by		YES
2. 3.	Will an actuarial opinion be filed by March 1?	12	YES YES
4.	Will the confidential Risk-based Capital Report be filed with the state of domicile		YES
••	This tip contract that based capital report so find with the state of dominant	, in roquirou, by Maron 1.	TLO
	APRIL FILING		
5.	Will Management's Discussion and Analysis be filed by April 1?		YES
6.	Will the Supplemental Investment Risks Interrogatories be filed by April 1?		YES
7.	Will the Accident and Health Policy Experience Exhibit be filed by April 1?		YES
	JUNE FILING		
8.	Will an audited financial report be filed by June 1?		YES
9.	Will Accountant's Letter of Qualifications be filed with the state of domicile and	electronically with the NAIC by June 1?	YES
	The following supplemental reports are required to be filed as part of your annu supplement. However, in the event that your company does not transact to the specific interrogatory will be accepted in lieu of filing a "NONE" report but is not being filed for whatever reason enter SEE EXPLANATION and provide MARCH FILING	the type of business for which the special report must be file ort and a bar code will be printed below. If the supplement is an explanation following the interrogatory questions.	led, your response of NO
10.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the sta	· ·	NO
11.	Will the Supplemental Life data due March 1 be filed with the state of domicile a		NO
12.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state		NO
13.	Will the actuarial opinion on participating and non-participating policies as requibe filed with the state of domicile and electronically with the NAIC by March 1?		NO
14.	Will the actuarial opinion on non-guaranteed elements as required in Interrogator		110
	domicile and electronically with the NAIC by March 1?		NO NO
15.	Will the Medicare Part D Coverage Supplement be filed with the state of domici	•	NO
16.	Will an approval from the reporting entity's state of domicile for relief related to t electronically with the NAIC by March 1?		NO
17.	Will an approval from the reporting entity's state of domicile for relief related to t	he one-year cooling off period for independent CPA be filed	
40	electronically with the NAIC by March 1?		NO
18.	Will an approval from the reporting entity's state of domicile for relief related to t with the NAIC by March 1?	ne Requirements for Audit Committees be filed electronically	NO
	With the 17/10 by Withorn 1:		110
	APRIL FILING		
19.	Will the Long-Term Care Experience Reporting Forms be filed with the state of		NO
20.	Will the Supplemental Life data due April 1 be filed with the state of domicile an		NO NO
21. 22.	Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the sta Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense	· · ·	YES
22.	NAIC by April 1?		YES
23.	Will the Life, Health & Annuity Guaranty Association Assessable Premium Exhil	bit - Parts 1 and 2 be filed with the state of domicile and the	
	NAIC by April 1?		NO
	AUGUST FILING		
24.	Will Management's Report of Internal Control Over Financial Reporting be filed		NO
	Explanations:		110
10.	The data for this supplement is not required to be filed.		
11.	The data for this supplement is not required to be filed.		
12.	The data for this supplement is not required to be filed.		
	The data for this supplement is not required to be filed.		
14.	The data for this supplement is not required to be filed.		
15. 16.	The data for this supplement is not required to be filed. The data for this supplement is not required to be filed.		
17.	The data for this supplement is not required to be filed. The data for this supplement is not required to be filed.		
18.	The data for this supplement is not required to be filed.		
19.	The data for this supplement is not required to be filed.		
20.	The data for this supplement is not required to be filed.		
23. 24.	The data for this supplement is not required to be filed. The data for this supplement is not required to be filed.		
	The data for this supplement is not required to be fined.		
	Bar Codes:		
10.	Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]		
		1 1 5 2 0 2 0 2 1 3 6 0 0 0	0 0 0
11.	Life Supplement [Document Identifier 205]		
		1 1 5 2 0 2 0 2 1 2 0 5 0 0	0 0 0
12.	SIS Stockholder Information Supplement [Document Identifier 420]		
4.0	D. 11 . 11 . 0 . 1 . 1 . 5 . 1 11 11 5 . 1 . 1 . 1 . 1	1 1 5 2 0 2 0 2 1 4 2 0 0 0	0 0 0
13.	Participating Opinion for Exhibit 5 [Document Identifier 371]		
11	Non Customand Oninion for Exhibit 5 [Document Identifier 270]		
14.	Non-Guaranteed Opinion for Exhibit 5 [Document Identifier 370]		
15.	Medicare Part D Coverage Supplement [Document Identifier 365]		
١٠.	modicals i are a coverage cupplement [accument lucintine 300]		
16.	Relief from the five-year rotation requirement for lead audit partner [Document		
	Identifier 224]		
17.	Relief from the one-year cooling off period for independent CPA		
	[Document Identifier 225]	: 1 1 1 1 1 1 1 1 1 1	22 22 23 122



Relief from the Requirements for Audit Committees [Document Identifier 226]

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

- 19. Long-Term Care Experience Reporting Forms [Document Identifier 306]
- 20. Life Supplement [Document Identifier 211]
- 23. Life, Health & Annuity Guaranty Association Assessable Premium Exhibit Parts 1 and 2 [Document Identifier 290]
- Management's Report of Internal Control Over Financial Reporting [Document Identifier 223]

